Electronic Version v1.1 Stylesheet Version v1.1

SUBMISSION TYPE: NEW ASSIGNMENT

NATURE OF CONVEYANCE: TRADEMARK SECURITY AGREEMENT

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
RUSS BERRIE U.S. GIFT, INC.		12/23/2008	CORPORATION:

RECEIVING PARTY DATA

Name:	RUSS BERRIE AND COMPANY, INC.
Street Address:	111 BAUER DRIVE
City:	OAKLAND
State/Country:	NEW JERSEY
Postal Code:	07436
Entity Type:	CORPORATION:

PROPERTY NUMBERS Total: 11

Property Type	Number	Word Mark
Serial Number:	77199321	APPAWS
Registration Number:	1297278	BAXTER
Registration Number:	1966741	BEARS FROM THE PAST
Registration Number:	2558179	CELEBRATE AMERICA
Registration Number:	2635742	GIRL POWRRR
Registration Number:	1956063	HEARTCRAFT COLLECTION
Registration Number:	1333415	HOT STUFF
Registration Number:	2482505	LUV PETS
Registration Number:	2635758	MAKE SOMEONE HAPPY
Serial Number:	77394000	SEA PALS
Registration Number:	2809975	SKRIBBLES

CORRESPONDENCE DATA

Fax Number: (212)836-8689

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

TRADEMARK REEL: 003908 FRAME: 0816

900123400

Phone: 2128367999

Email: stobias@kayescholer.com

Correspondent Name: Stanley Tobias

Address Line 1: c/o Kaye Scholer LLP 425 Park Avenue

Address Line 2: 16-68

Address Line 4: New York, NEW YORK 10022

ATTORNEY DOCKET NUMBER:	06340-0001
NAME OF SUBMITTER:	Stanley Tobias
Signature:	/Stanley Tobias/
Date:	12/23/2008

Total Attachments: 6

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TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (this "<u>Trademark Security Agreement</u>") is made this 23rd day of December, 2008, among Grantor listed on the signature page hereof ("<u>Grantor</u>"), and RUSS BERRIE AND COMPANY, INC., in its capacity as Secured Party (together with its successors, "<u>Secured Party</u>").

WITNESSETH:

WHEREAS, pursuant to that certain Purchase Agreement (as amended, restated, supplemented or otherwise modified from time to time, the "Acquisition Agreement"), dated December 23, 2008, among The Russ Companies, Inc., a Delaware corporation (the "Purchaser") and Secured Party, the Purchaser will purchase all of the issued and outstanding capital stock of each Sub (as defined in the Acquisition Agreement) and certain other assets described therein;

WHEREAS, Secured Party is willing to enter into the Acquisition Agreement, but only upon the condition, among others, that Grantor and other grantors party thereto shall have executed and delivered to Secured Party, for the benefit of Secured Party, that certain Security Agreement dated as of even date herewith (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Security Agreement");

WHEREAS, pursuant to the Security Agreement, Grantor is required to execute and deliver to Secured Party, for the benefit of Secured Party, this Trademark Security Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby agrees as follows:

- 1. <u>DEFINED TERMS</u>. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Security Agreement.
- 2. <u>GRANT OF SECURITY INTEREST IN TRADEMARK COLLATERAL</u>. Grantor hereby grants to Secured Party a continuing second priority security interest (junior only to Liens in favor of the Senior Lender and subject to Permitted Liens) in all of Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Trademark Collateral"):
- (a) all of its Trademarks and Intellectual Property Licenses to which it is a party including those referred to on Schedule I hereto;
 - (b) all reissues, continuations or extensions of the foregoing:
- (c) all goodwill of the business connected with the use of, and symbolized by, each Trademark and each Intellectual Property License; and
- (d) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future (i) infringement or dilution of any Trademark or any Trademark licensed under any Intellectual Property License or (ii) injury to the goodwill associated with any Trademark or any Trademark licensed under any Intellectual Property License.

- 3. <u>SECURITY AGREEMENT</u>. The security interests granted pursuant to this Trademark Security Agreement are granted in conjunction with the security interests granted to Secured Party, pursuant to the Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Secured Party with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.
- 4. <u>AUTHORIZATION TO SUPPLEMENT</u>. If Grantor shall obtain rights to any new trademarks, the provisions of this Trademark Security Agreement shall automatically apply thereto. Grantor shall give prompt notice in writing to Secured Party with respect to any such new trademarks or renewal or extension of any trademark registration. Without limiting Grantor's obligations under this Section 4, Grantor hereby authorize Secured Party unilaterally to modify this Agreement by amending Schedule I to include any such new trademark rights of Grantor. Notwithstanding the foregoing, no failure to so modify this Trademark Security Agreement or amend Schedule I shall in any way affect, invalidate or detract from Secured Party's continuing security interest in all Collateral, whether or not listed on Schedule I.
- 5. <u>COUNTERPARTS</u>. This Trademark Security Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such separate counterparts shall together constitute but one and the same instrument. In proving this Trademark Security Agreement or any in any judicial proceedings, it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom such enforcement is sought. Any signatures delivered by a party by facsimile transmission or by e-mail transmission shall be deemed an original signature hereto.
- 6. <u>TERMINATION</u>. Upon the full performance of the obligations (other than indemnity obligations that are not then due and payable), Secured Party shall execute, acknowledge and deliver to Grantor an instrument in writing in recordable form releasing the collateral pledge, grant, assignment, lien and security interest in the Trademark Collateral under this Trademark Security Agreement.

[signature page follows]

IN WITNESS WHEREOF, the undersigned Grantor has caused this Trademark Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

GRANTOR:

RUSS BERRIE U.S. GIFT, INC.,

a Delaware corporation

Name: Kichard Snow

Title:

31765832.DOC

[Trademark Security Agreement]

ACCEPTED AND ACKNOWLEDGED BY:

RUSS BERRIE AND COMPANY, INC.,

as Secured Part

By: Name: Marc Goldfarb
Title: Senior Vice President General
Toursel & Secretary

Schedule I

REGISTERED TRADEMARKS

Russ Berrie U.S. Gift, Inc.

Trademark	Country	Trademark Application/ Registration Number	
APPAWS	United States	App. No. 77199321	
BAXTER	United States	Reg. No. 1,297,278	
BEARS FROM THE PAST	United States	Reg. No. 1,966,741	
CELEBRATE AMERICA	United States	Reg. No. 2,558,179	
GIRL POWRRR	United States	Reg. No. 2,635,742	
HEARTCRAFT COLLECTION	United States	Reg. No. 1,956,063	
HOT STUFF	United States	Reg. No. 1,333,415	
LUV PETS	United States	Reg. No. 2,482,505	
MAKE SOMEONE HAPPY	United States	Reg. No. 2,635,758	
MAKE SOMEONE HAPPY	Canada	Reg. No. TMA592292	
SEAPALS	United States	App. No. 77/394000	
SKRIBBLES	United States	Reg. No. 2,809,975	

DESIGN REGISTRATIONS

Russ Berrie U.S. Gift, Inc.

Country	Product	Registration No.	Registration Date	Article Name
AUSTRALIA	DOG Purse Pet	Reg. No. 156576	10/5/2004	Hand/carry bag (in the shape of a dog)
AUSTRALIA	POODLE Purse Pet	Reg. No. 156578	10/5/2004	Hand/carry bag (in the shape of a poodle)
AUSTRALIA	UNICORN Purse Pet	Reg. No. 156577	10/5/2004	Hand/carry bag (in the shape of a unicorn)

TRADEMARK REEL: 003908 FRAME: 0823

RECORDED: 12/23/2008